

Pursuant to Civil Local Rules 6-1(b), 6-3, and 7-11, Defendant SenoRx Inc. ("SenoRx")

1 hereby moves this Court for an order continuing the hearing on Hologic Inc., Cytyc Corp., and 2 Hologic L.P.'s ("Hologic" or "Plaintiffs") Motion for Preliminary Injunction until at least May 3 12, 2008, with a corresponding briefing schedule to allow for the parties to take expedited 4 discovery pursuant to Fed. R. Civ. P. 26(d). A Proposed Order is attached. This Motion is 5 based on the following Memorandum of Points and Authorities, the declaration of Aaron P. 6 Maurer, all matters of which this Court may take judicial notice, and the arguments of SenoRx's 7

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counsel.

# MEMORANDUM OF POINTS AND AUTHORITIES

# INTRODUCTION

SenoRx markets a device used in the treatment of breast cancer, called the Contura™ MLB Applicator ("Contura<sup>TM</sup>"). The U.S. Food and Drug Administration ("FDA") gave SenoRx approval to market the Contura<sup>TM</sup> device on May 18, 2007, which SenoRx announced in a press release on May 23, 2007. See Ex. N to Hologic's Motion for a Preliminary Injunction. The Section 510(k) premarket notification summary for the Contura™ device (attached as Ex. A to Hologic's Motion) was released to the public shortly thereafter and provided a "[d]evice description" of the Contura™ device. Hologic cites that same May 18, 2007 510(k) summary "[d]evice description" eight times in its infringement contentions for the two claims at issue in its Motion for a Preliminary Injunction. In the press release on May 23, 2007, SenoRx announced that the "[f]ull launch of the Radiation Balloon product is expected in early 2008," and that "[t]he company expects to ship product for post-FDA clearance human clinical trials supporting marketing claims . . . in the second half of 2007." See Ex. N to Hologic's Motion for a Preliminary Injunction. The 2007 trials were accomplished with Contura<sup>TM</sup> devices that were sold commercially on the market, and SenoRx announced those first commercial sales in August

<sup>1</sup> The FDA website states that "[1]istings are normally available about the 5th of each

month for the prior month. Summaries are in pdf format and are available about 3 weeks after

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the monthly listing is posted." FDA, *Information on Releasable 510(k)s*, http://www.fda.gov/cdrh/510khome.html. It is SenoRx's understanding and belief that, in 27 accordance with the FDA's website, the 510(k) summary for the Contura™ device (then called 28 the "SenoRad applicator") was available by approximately July 2007.

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2007. See Declaration of Aaron P. Maurer in Support of Defendant's Motion for a Continuance of the Hearing on Plaintiffs' Motion for Preliminary Injunction in Order to Permit Expedited Discovery ("Maurer Decl.") Ex. B, Press Release, SenoRx Reports Second Quarter 2007 Results (Aug. 14, 2007) ("[M]ajor milestones were achieved during the second quarter with the FDA 510(k) clearance of our new Radiation Balloon and our first commercial sales of this product.").

Nevertheless, Hologic waited until January 8, 2008 to file its claims of patent infringement against SenoRx. No motion for a preliminary injunction was filed at that time. On or about January 23, 2008, SenoRx's counsel requested a 30-day extension to answer the Complaint, which Hologic granted. See Maurer Decl. ¶ 3. In granting this extension Hologic made no mention of its preparation of and plans to file a motion for preliminary injunction, despite counsel for SenoRx specifically citing as one reason for the extension his preparation for an impending trial. Id. ¶¶ 4-5.

On February 6, 2008, approximately eight months after the 510(k) approval, SenoRx's first commercial sales, and the press release regarding its forthcoming full commercial launch, Hologic filed the instant Motion for a Preliminary Injunction, timed at the height of SenoRx's full commercial launch activities. Under the current schedule, SenoRx's opposition to Hologic's motion is due on February 28, 2008, and a hearing is requested for March 20, 2008. *See* Civil L.R. 7-2 & 7-3.

Counsel for SenoRx contacted Plaintiffs' counsel and attempted to agree on an extension of the briefing schedule and an expedited discovery procedure without the Court's involvement. See Maurer Decl. ¶ 7. SenoRx proposed an expedited schedule with some limited discovery as to certain key issues, with a hearing sometime during the first or second week of May (if the Court's schedule allowed). Id. ¶ 8. Hologic countered with a hearing date of April 17, 2008, and extremely limited discovery, i.e., six interrogatories, ten document requests, and two depositions (one of Hologic's Senior Director of Product Marketing, and one of a corporate designee). Id. ¶ 9-10. Hologic also placed unreasonable restrictions on who could access its pleadings filed under seal, which has hampered SenoRx's ability to defend against the

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preliminary injunction in a timely manner. *See* Maurer Decl., Ex. A, Email Chain between Aaron P. Maurer and Marc Cohn.

Given the nature of the motion and the schedule of SenoRx's lead counsel, who starts a two-week patent trial in Wilmington, Delaware on February 25, 2008, Hologic's counterproposal provides neither sufficient time nor sufficient discovery to examine Hologic's contentions and create a factual record on which the Court can decide Hologic's motion. Because SenoRx would be prejudiced by the current schedule, it had no choice but to file this motion respectfully requesting that this Court continue the hearing on Hologic's preliminary injunction motion until a time it determines to be appropriate, and order a reasonable amount of expedited discovery.

# II. ARGUMENT

# A. Expedited Discovery is Necessary in This Case

Expedited discovery is available under Fed. R. Civ. P. 26(d) upon a showing of good cause. See Semitool, Inc. v. Tokyo Electron Am., Inc., 208 F.R.D. 273, 276 (N.D. Cal. 2002) (applying the "standard of good cause in evaluating Plaintiff's request for expedited discovery"). Such "expedited discovery is particularly appropriate when a plaintiff seeks injunctive relief because of the expedited nature of injunctive proceedings." Ellsworth Assocs., Inc. v. United States, 917 F. Supp. 841, 844 (D.D.C. 1996). In those cases, the expedited discovery "better enable[s] the court to judge the parties' interest and respective chances for success on the merits at a preliminary injunction hearing." Yokohama Tire Corp. v. Dealers Tire Supply, Inc., 202 F.R.D. 612, 613 (D. Ariz. 2001) (internal quotation omitted); see also Verigy US, Inc. v. Mayder, No. C07-04330-RMW, 2007 WL 2429652 (N.D. Cal. Aug 24, 2007) (Whyte, J.) (ordering expedited discovery in advance of a preliminary injunction hearing).

Good cause for expedited discovery certainly exists in this case. By filing a preliminary injunction motion and refusing to allow a reasonable extension and discovery, Hologic has hamstrung SenoRx's ability to defend against Hologic's patent claims. As opposed to SenoRx, Hologic has litigated two of the patents-in-suit at length before this Court in *Xoft Microtube Inc.* v. Cytyc Corp. (No. 5:05-cv-05312-RMW). Although Hologic has intimate knowledge of that

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case, SenoRx has not yet even been able to access all of the pleadings (a number are filed under seal). See Maurer Decl., Ex. A. Hologic also, of course, has all of the information relating to the patents internally accessible, and had approximately eight months to prepare its case here.

SenoRx's preparation of its case, on the other hand, is just beginning, and there are many complex issues that require investigation before SenoRx can prepare its defenses and create an adequate record for the Court to decide Hologic's motion. For example, on the question of likelihood of success on the merits, SenoRx must be allowed to develop not just its noninfringement defenses, but also an understanding of the prior art (which was not discussed at all in Hologic's motion) and of the prosecution of the patents. These questions commonly require expert testimony, which may be appropriate in this case, with the need for some time to retain such experts and obtain their opinions on the key issues. With respect to the other factors for injunctive relief Hologic discusses in its motion -e.g., irreparable harm, balance of harms, ability to monetarily compensate for any infringement, market determinations – SenoRx needs time and discovery (and again, possibly expert discovery) to formulate a proper response. For instance, Xoft, a party in the prior Hologic lawsuit on two of the patents at issue here, apparently is selling its balloon catheter on the market, but under what terms and in what relation to the patents-in-suit, SenoRx does not know. Indeed, Hologic has not yet taken a position as to how its own device falls under the patents' claims, and what are the relevant conception dates of its patent claims. The limited discovery proposed by Hologic will not allow sufficient development of these and other relevant issues. A broader scope of discovery is needed in order for SenoRx to respond fully to Hologic's motion for a preliminary injunction.

# B. A Continuance of the Preliminary Injunction Hearing Date is also Necessary

Given the need for discovery in this case prior to a preliminary injunction hearing, SenoRx respectfully requests that this Court continue the hearing on Hologic's motion until at least May 12, 2008, with a corresponding briefing schedule. As explained above, the extension is necessary to allow for discovery on the merits regarding each of the four factors relevant to injunctive relief. Additionally, SenoRx's lead counsel has another trial scheduled from late

February through early March 2008. This schedule makes it even more difficult to carry out the extensive and complex investigation required here on the existing timeline.

Hologic's argument that it will be prejudiced by such a continuance rings hollow given that approximately eight months elapsed between the first public announcement of the approval and launch of SenoRx's device and the filing of Hologic's motion. When Hologic finally filed its Complaint (timed to coincide with SenoRx's full commercial launch), it then took another month to file its preliminary injunction motion. In light of these facts, SenoRx would be severely prejudiced by a hearing date any sooner than May 12, 2008.

# III. CONCLUSION

Dated: February 15, 2008

For the foregoing reasons, SenoRx respectfully requests that this Court continue the hearing on Hologic's Motion for Preliminary Injunction until at least May 12, 2008, with a corresponding briefing schedule, and order a reasonable amount of expedited discovery in this case. SenoRx also respectfully requests that this Court hold a scheduling conference on these matters as soon as practicable, but in no event later than February 28, 2008, the current deadline by which SenoRx must file its opposition to Hologic's motion.

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By: /s/ F.T. Alexandra Mahaney

F.T. Alexandra Mahaney

WILSON SONSINI GOODRICH & ROSATI

Bruce R. Genderson (pro hac vice application pending)
Aaron P. Maurer (pro hac vice application pending)
Rachel Shanahan Rodman (pro hac vice application pending)

Adam D. Harber (pro hac vice application pending)

WILLIAMS & CONNOLLY LLP

ATTORNEYS FOR DEFENDANT SENORX, INC.

Case 5:08-cv-00133-RMW Document 13 Filed 02/15/2008 Page 7 of 8 CERTIFICATE OF SERVICE 1 U.S. District Court, Northern District of California, Hologic, Inc. et al. v. SenoRx, Inc. 2 Case No. 08-CV-0133 MEJ 3 I, Kirsten Blue, declare: 4 I am and was at the time of the service mentioned in this declaration, employed in the 5 County of San Diego, California. I am over the age of 18 years and not a party to the within action. My business address is 12235 El Camino Real, Ste. 200, San Diego, CA, 92130. 6 On February 15, 2008, I served a copy(ies) of the following document(s): 7 DEFENDANT SENORX INC.'S NOTICE OF MOTION AND MOTION FOR A 8 CONTINUANCE OF THE HEARING ON PLAINTIFFS' PRELIMINARY INJUNCTION MOTION IN ORDER TO PERMIT EXPEDITED DISCOVERY 9 on the parties to this action by placing them in a sealed envelope(s) addressed as follows: 10 Attorneys for Plaintiffs Henry C. Su (suh@howrey.com) 11 Katharine L. Altemus (altemusk@howrey.com) HOLOGIC, INC. CYTYC CORPORATION and **HOWREY LLP** 12 HOLOGIC LP 1950 University Avenue, 4th Floor East Palo Alto, CA 94303 13 Telephone: (650) 798-3500 Facsimile: (650) 798-3600 14 15 Attorneys for Plaintiffs Robert Ruyak (ruyakr@howrey.com) Matthew Wolf (wolfm@howrey.com) HOLOGIC, INC. CYTYC 16 CORPORATION and Marc Cohn (cohenm@howrey.com) **HOLOGIC LP HOWREY LLP** 17 1229 Pennsylvania Avenue, NW Washington, DC 20004 18 Telephone: (202) 783-0800 Facsimile: (202) 383-6610 19 (BY MAIL) I placed the sealed envelope(s) for collection and mailing by following the 20 ordinary business practices of Wilson Sonsini Goodrich & Rosati, 12235 El Camino Real, Ste. 200, San Diego, CA. I am readily familiar with WSGR's practice for collecting and 21 processing of correspondence for mailing with the United States Postal Service, said practice being that, in the ordinary course of business, correspondence with postage fully 22 prepaid is deposited with the United States Postal Service the same day as it is placed for collection. 23 24 (BY OVERNIGHT DELIVERY) I placed the sealed envelope(s) or package(s), to the addressee(s) noted above, designated by the express service carrier for collection and 25 overnight delivery by following the ordinary business practices of Wilson Sonsini Goodrich & Rosati, 12235 El Camino Real, Ste. 200, San Diego, CA. I am readily familiar with WSGR's practice for collecting and processing of correspondence for 26 overnight delivery, said practice being that, in the ordinary course of business, 27 correspondence for overnight delivery is deposited with delivery fees paid or provided for at the carrier's express service offices for next-day delivery the same day as the correspondence is placed for collection. 28 3293779 1.DOC

CERTIFICATE OF SERVICE

CASE NO. 08-CV-0133 MEJ

Page 8 of 8 (BY CM/ECF) I caused such document(s) to be sent via electronic mail through the Case Management/Electronic Case File system with the U.S. District Court for the Northern District of California. I declare under penalty of perjury under the laws of the United States that the above is true and correct, and that this declaration was executed on February 15, 2008. Kirsten Blue 

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CASE NO. 08-CV-0133 MEJ

Filed 02/15/2008

Document 13

Case 5:08-cv-00133-RMW

CERTIFICATE OF SERVICE

1	F.T. Alexandra Mahaney (CA Bar No. 125984; amahaney@wsgr.com)								
2	WILSON SONSINI GOODRICH & ROSATI								
3	12235 El Camino Real, Suite 200 San Diego, CA 92130								
4	(858) 350-2300								
5	Bruce R. Genderson (pro hac vice application p								
6	Aaron P. Maurer (pro hac vice application pending) Rachel Shanahan Rodman (pro hac vice application pending) Adam D. Harber (pro hac vice application pending) WILLIAMS & CONNOLLY LLP								
7									
8	725 Twelfth St. NW								
9	Washington, DC 20005								
10	(202) 434-5000								
11	Attorneys for Defendant SENORX, INC.								
12									
13		DISTRICT COURT ICT OF CALIFORNIA							
14		ISCO DIVISION							
15		G							
	HOLOGIC INC.,	Case No. C08-00133-MEJ							
16	CYTYC CORP., and	DECLARATION OF AARON P.							
17	HOLOGIC L.P.,	MAURER IN SUPPORT OF							
18	Plaintiffs,	DEFENDANT'S MOTION FOR A CONTINUANCE OF THE HEARING							
19	v.	ON PLAINTIFFS' MOTION FOR							
	)	PRELIMINARY INJUNCTION							
20	SENORX INC.,	IN ORDER TO PERMIT EXPEDITED DISCOVERY							
21	Defendant.								
22	)								
23									
24	I, Aaron P. Maurer, declare that:								
25	1. I am an attorney at the law	firm of Williams & Connolly LLP, attorneys fo							
26	Defendant SenoRx Inc. ("SenoRx") in the above	ve-captioned action. I submit this declaration in							
27	support of SenoRx's Motion for a Continuance	of the Hearing on Plaintiffs' Motion for							
28	Preliminary Injunction in Order to Permit Expe	edited Discovery. I am fully familiar with the							

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facts set forth in this declaration, either from personal knowledge or on the basis of documents that have been provided to me, and if called upon to testify, I could and would competently testify to the matters set forth herein.

- 2. Plaintiffs filed their Complaint in this matter on January 8, 2008.
- 3. On or about January 23, 2008, SenoRx's counsel requested a 30-day extension to answer the Complaint, which the Plaintiffs granted.
- 4. Bruce R. Genderson, SenoRx's lead counsel, identified an impending trial in another case as one reason why the extension was necessary.
- 5. At this time, the Plaintiffs made no mention of their preparation of and plans to file a motion for preliminary injunction.
- 6. Subsequent to the negotiation of this extension, and almost one month after the Complaint was filed, the Plaintiffs filed a Motion for Preliminary Injunction.
- 7. In light of Mr. Genderson's schedule and the amount of work that will be required to respond to the Plaintiffs' Motion for Preliminary Injunction, I contacted Plaintiffs' counsel and attempted to negotiate an extension of time and a stipulation regarding expedited discovery. Attached hereto as Exhibit A is a true and correct copy of the email chain between myself and Marc Cohn. *See* Ex. A.
- 8. During these discussions, I proposed a schedule whereby SenoRx's responsive brief would be due at the end of March 2008, the Plaintiff's reply due in mid- to late-April, and the hearing on the motion would occur in the first or second week of May. See id.
- 9. The Plaintiffs rejected this schedule, insisting that the hearing on the Motion for Preliminary Injunction could take place no later than April 17, 2008, unless SenoRx withdrew its product from the market. *See id*.
- 10. The Plaintiffs also indicated that they would agree to only a very limited amount of expedited discovery: six interrogatories, ten document requests, and two depositions (one of Glen Magnuson, the Senior Director of Product Marketing for Hologic's Interventional Breast Solutions Unit, and one of a corporate designee). *See id*.

11. Based on the circumstances of this case and the complexity of the questions at issue, SenoRx is not in a position to agree to either the schedule or the discovery limitations offered by the Plaintiffs.

12. Attached hereto as Exhibit B is a true and correct copy of a press release, SenoRx Reports Second Quarter 2007 Results, dated August 14, 2007.

I declare under penalty of perjury that the foregoing is true and correct.

Dated: February 15, 2008

Aaron P. Maurer

Williams & Connolly LLP

Attorney for Defendant SenoRx, Inc.

# EXHIBIT

----Original Message----

From: Cohn, Marc [mailto:CohnM@howrey.com] Sent: Friday, February 15, 2008 10:12 AM

To: Maurer, Aaron

Subject: RE: Hologic v SenoRx PI

#### Aaron,

Hologic does not agree that SenoRx can share confidential information in the Preliminary Injunction papers with anyone other—than on an outside counsel eyes only basis and with SenoRx's Chief Technology Officer, as stated in my previous email. If you wish to disclose the designated confidential information to your experts, please disclose the names and curriculum vitae of those experts to us immediately so that we can determine whether they may review the confidential materials. We cannot agree to allow you to show those materials to experts of whose identity we are unaware.

Furthermore, we believe an April 17, 2008 hearing date that we proposed gives SenoRx ample time for the discovery it needs. A longer schedule is not appropriate given the ongoing irreparable harm inflicted by SenoRx's infringement on my client. Regarding the Xoft case, most of the Xoft pleadings are publicly available. Hologic will agree to promptly provide any confidential materials from that case to SenoRx provided that Xoft permits such disclosure. Since SenoRx seeks the discovery, it is SenoRx's burden to contact Xoft and obtain the necessary consent for disclosure of Xoft's confidential materials to SenoRx.

#### -Marc

----Original Message----

From: Maurer, Aaron [mailto:AMaurer@wc.com] Sent: Wednesday, February 13, 2008 7:14 PM

To: Cohn, Marc

Subject: RE: Hologic v SenoRx PI

February 13, 2008

Dear Marc,

The schedule and discovery limitations that you propose below will not work.

This is a complicated case. To name a few issues: Hologic relies heavily in its motion for a preliminary injunction on prior rulings in the Xoft case with which Hologic has intimate knowledge, but for which SenoRx has not even been able to retrieve all of the pleadings. Hologic makes numerous allegations allegations regarding supposed statements and market share that need to be investigated and responded to. Hologic apparently has licensed a competitor to sell its balloon cathedar on the market under the patents—atissue, but under what terms SenoRx does not know. And Hologic has not yet taken a position as to whether its own device falls under the patents, and what the relevant conception date(s) is. Clearly, these are all relevant to the question of injunctive relief, and discovery of these issues (and others) is needed in order for SenoRx to respond fully to Hologic's motion for a preliminary injunction. Additionally, there will be questions for experts to address with respect to validity and infringement, which requires time.

While Hologic has known about SenoRx's device for quite some time, and apparently has

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taken its time to prepare its motion for preliminary injunction, Hologic's refusal to grant a reasonable extension with reasonable discovery to SenoRx leaves us no choice but to go to the Court on this issue.

If your client reconsiders and wishes to grant SenoRx the schedule discussed, we are of course open to further discussion. Please let me know.

On another issue, SenoRx is puzzled by the designation of the information on p.20 of the PI motion as confidential, and the redaction (and request to seal) such information. Why are the allegations of SenoRx's pricing and what SenoRx's representatives allegedly are saving

-- which Hologic admittedly learned about from third-parties -- confidential? Please reconsider its designation.

Furthermore, in order to prepare our case, we must share that information with our client and experts. Accordingly, unless I hear otherwise from you: 1) we intend to share the information on p.20 and the corresponding paragraphs of the accompanying declarations with our experts, with the understanding that the experts will treat the information as confidential; and 2) we intend to inquire with our client as to the allegations on p.20.

For the time being, in the absence of a protective order more specifically addressing the issue or agreement regarding the information, we will not share the information from p.6 regarding the alleged development and commercialization costs of Hologic's device with our experts.

Best regards,

Aaron

Aaron P. Maurer Williams & Connolly, LLP 725 12th St. NW Washington, DC 20005 202-434-5282 (direct) 202-434-5029 (fax)

----Original Message----

From: Cohn, Marc [mailto:CohnM@howrey.com] Sent: Wednesday, February 13, 2008 11:57 AM

To: Maurer, Aaron

Subject: RE: Hologic v SenoRx PI

#### Aaron:

Per your email below, I write to address the issues we discussed earlier this week.

First, Hologic is willing to allow SenoRx's Chief Technology Officer to view the confidential materials filed in connection with Hologic's Motion for Preliminary Injunction (the "Motion"). No other SenoRx principals may have access to those materials.

Second, we will send you a draft protective order for your review shortly. It will contain two tiers of confidentiality, as we discussed.

Third, Hologic is willing to reschedule the hearing on the Motion to any date in the future provided that SenoRx stipulates that it will suspend sales of its Contura Multi-Lumen Balloon until the date of the hearing.

Each and every day that the Contura is on the market irreparably harms my client, which is why the Motion was filed. If SenoRx is unwilling to agree to this, then we propose alternatively that the hearing be rescheduled to April 17, 2008 provided that (A) SenoRx propounds all of its discovery by February 20, 2008; (B) SenoRx limits its discovery to 6 interrogatories, 10 document requests, and 2 depositions (i.e. one of Mr. Magnuson and one of a corporate designee); and (C) SenoRx stipulates that Hologic is entitled to commensurate discovery from SenoRx.

Fourth, as to your questions regarding conception and reduction to practice and whether

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the MammoSite practices the asserted patents, Hologic will answer those questions in the course of discovery.

Finally, Hologic agrees that the case should be heard by Judge Whyte. We will prepare a joint pleading in this regard and send it to you for review shortly.

Please let me know if you want to discuss these matters further.

Thank you, Marc Cohn HOWREY LLP

----Original Message----

From: Maurer, Aaron [mailto:AMaurer@wc.com] Sent: Wednesday, February 13, 2008 11:17 AM

To: Cohn, Marc

Subject: Hologic v SenoRx PI

February 13, 2008

Dear Marc,

I write in furtherance of our conversation on Monday, February 11, 2008. In that conversation, we discussed several issues important to the swift and orderly resolution of the Hologic motion for a preliminary injunction.

First, we discussed SenoRx's willingness to consent to relate this case to the Xoft case and have the matter heard by Judge Whyte, to which end I suggested we file a consent motion and to which course of action you indicated that Hologic likely would agree.

Second, I discussed with you the fact that Hologic filed certain of its PI papers under seal, and that my client -- or certain representatives of my client -- would need to see those papers in order to ensure that SenoRx can adequately mount a defense to all the allegations in the Hologic papers. I suggested that we could either deal with this on a temporary basis with respect to these papers or that we could come to some more permanent agreement and propose a protective order to the Court for purposes of this action. You told me that there might be some issue with respect to SenoRx internal personnel to the extent that they were involved in prosecution activities, but that you were going to discuss with your client and that you had a model order from the Xoft case (two-tier) that you would forward to me. For SenoRx's part, I told you we would need to have access by at least our Chief Technical Officer and our Chief Executive Officer.

Third, we discussed an extension to the briefing and response schedule, and some expedited discovery. As you know from our conversations with you regarding the extension you granted to SenoRx to answer the Hologic complaint, Bruce Genderson, SenoRx's lead on this case, will be out of town for trial starting this week and continuing through the first half of March. The extension also is required so that SenoRx can take discovery on the claims and allegations that Hologic set forth in its motion papers.

with respect to this initial discovery, I told you that we certainly would need the pleadings and filings from the Xoft case that Hologic relies on in its motion, documents relating to the conception and invention of the claims of the patents, and Hologic's contentions as to what conception date the patent claims at issue are due, as well as whether you contend the Mammosite device is covered by the asserted claims (and if so, how). As I mentioned, those categories of information were not exhaustive, as we also will request relevant contentions and documents regarding, e.g., whether or not the Xoft device is covered by the asserted claims, the terms of the Xoft license and settlement, and other documents and information regarding the allegations in Hologic's motion. I proposed that we accomplish this through some limited set of discovery requests (Requests for Production, Interrogatories, depositions).

I also discussed with you a proposed schedule whereby we would (if the Court's schedule allows) propose a hearing in the first or second week of May, and that SenoRx's responsive brief due at the end of March, and Hologic's reply due in mid-to-late April.

You told me that Hologic's lead counsel was in Germany, but that you would circle back

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with your team and get back to me on these issues. I told you that we needed resolution as soon as possible, as we were going to need to file a motion for an extension and discovery if the parties could not reach agreement. I asked you to commit to getting back to me

-- one way or the other -- by yesterday (Tuesday) and you told me that you would try and did not think that would be a problem.

As of yet I have not heard back from you. Can you please let me know where things stand on the issues we discussed?

Best regards,

Aaron P. Maurer Williams & Connolly, LLP 725 12th St. NW Washington, DC 20005 202-434-5282 (direct) 202-434-5029 (fax)

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# EXHIBIT



Press Release

# SenoRx Reports Second Quarter 2007 Results Revenue and Gross Margin Post Continued Strong Growth

ALISO VIEJO, Calif., August 14 - SenoRx, Inc. (NASDAQ: SENO) today reported financial results for its second quarter ended June 30, 2007. Revenue for the quarter increased 28 percent to \$8.1 million, compared with \$6.3 million in the second guarter of 2006. Gross profit increased 41.5 percent to \$4.6 million, or 57.0 percent of revenue, up from \$3.3 million, or 51.7 percent of revenue, in the second quarter of 2006.

SenoRx reported an operating loss for the second quarter of \$2.6 million, compared with \$2.5 million in the same period last year. The operating loss for the quarter included additional administrative expenses of approximately \$161,000 incurred during the period associated with becoming a public company and stock-based compensation expense of \$563,000, compared with \$345,000 in the second quarter of 2006.

Net loss for the second quarter of 2007 declined significantly to \$2.1 million or 15 cents per share, compared to \$6.5 million or \$2.87 per share for the second quarter of 2006. Contributing to the reduction in net loss for the second quarter was a significant swing to net interest income from net interest expense resulting from the IPO proceeds and a non-cash positive change in fair value of the liability associated with a warrant issued in connection with the December 2006 subordinated note. In addition, there was an increase in the weighted average shares outstanding resulting from the IPO and the conversion of preferred stock into common stock in connection with the IPO.

"SenoRx reported another solid quarter with continued strong revenue growth, led by a 53 percent increase in biopsy disposable revenues over the same period last year," said Lloyd Malchow, SenoRx President and Chief Executive Officer. "In addition, major milestones were achieved during the second quarter with the FDA 510(k) clearance of our new Radiation Balloon and our first commercial sales of this product. Importantly, we also continued to expand our gross margin, which increased more than 5 percentage points from the second quarter a year ago. The improvement was driven by increased product sales resulting from continued growth in the installed base of EnCor systems, combined with improved efficiencies in the production of our disposable biopsy probe and allocating manufacturing overhead over an increased revenue base."

Document 13-2

For the first six months of 2007, SenoRx posted revenues of \$15.8 million, an increase of 30 percent compared with \$12.2 million for the same period in 2006. Gross profit grew 46 percent to \$8.8 million from \$6.0 million in the first six months of last year. Net loss for the first half of 2007 decreased to \$4.2 million compared with \$8.8 million for the same period a year ago.

# 2007 Outlook

SenoRx is encouraged by the continued progress and significant achievements in the second quarter of 2007 and remains focused on executing its strategic plan. With its current product offering and strong product pipeline, we believe SenoRx is well positioned to become a leader in both the diagnostic and therapeutic breast care market. Management continues to expect full-year 2007 revenues to be in a range of \$33 to \$35 million.

# About SenoRx

SenoRx (NASDAQ: SENO), which completed its initial public offering of common stock in April 2007, develops, manufactures and sells minimally invasive medical devices used by breast care specialists for the diagnosis of breast cancer. SenoRx's field sales organization serves over 1,000 breast diagnostic and treatment centers in the United States and Canada. With 17 products that have already received FDA 510(k) clearance across the continuum of breast care, SenoRx is developing additional minimally invasive products for diagnosis and treatment of breast cancer. For more information, visit the company's website at www.senorx.com.

### Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Specifically, statements concerning SenoRx's ability to successfully expand selling and promotional activities, to fully commercially launch its Radiation Balloon product, to successfully develop and introduce other products, and to become a leader in the diagnostic and therapeutic breast-care market, as well as financial guidance for fiscal year 2007, are forward-looking statements within the meaning of the Safe Harbor. Forward-looking statements are based on management's current, preliminary expectations and are subject to risks and uncertainties, which may cause SenoRx's actual results to differ materially from the statements contained herein. SenoRx's second quarter June 30, 2007 financial results, as discussed in this release, are preliminary and unaudited, and subject to adjustment. Further information on potential risk factors that could affect SenoRx's business and its financial results are detailed in its prospectus dated March 29, 2007 and its most recent quarterly report on Form 10-Q, in each case as filed with the Securities and Exchange Commission. Undue reliance should not be placed on forward-looking statements, especially guidance on future financial performance, which speaks only as of the date they are made. SenoRx undertakes no obligation to update publicly any forward-looking statements to reflect new information, events or circumstances after the date they were made, or to reflect the occurrence of unanticipated events.

# SENORX, INC. CONDENSED BALANCE SHEETS (Unaudited)

	June 30, 2007	December 31, 2006
ASSETS		
Odor and odor ogar and the	\$ 44,541,309	\$ 7,412,986
Accounts receivable, net of allowance for doubtful accounts of \$113,169 and	4,477,568	4,241,307
\$120,000, respectively Inventory	5,419,672	4,988,695
Prepaid expenses and deposits	456,087	220,659
Total current assets	54,894,636	16,863,647
Property and equipment, net	1,136,844	1,100,599
Other assets, net of accumulated depreciation of \$446,653, and \$539,602,	400.440	0.047.070
respectively	433,146	2,017,079
TOTAL	\$ 56,464,626	\$ 19,981,325
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT) Current Liabilities:		•
Accounts payable	\$ 1,846,838	\$ 4,122,477
Accrued expenses, including accrued employee compensation of \$815,711 and \$507,829, respectively	2,297,351	2,109,226
Deferred revenue—current	66,850	36,050
Current portion of long-term debt	4,924,249	3,209,621
Total current liabilities	9,135,288	9,477,374
Long-term debt—less current portion	8,752,676	10,596,147
Warrant liability		1,529,250
Total long-term liabilities	8,752,676	12,125,397
Convertible promissory notes (at fair value) Commitments and Contingencies (Note 12) Stockholders' Equity (Deficit): Series A convertible preferred stock—\$1.00 par value; 3,000,000 shares authorized, issued and outstanding (2007 and 2006) (aggregate liquidation	<del></del>	11,960,000
value of \$3,000,000)  Series B convertible preferred stock—\$2.50 par value; 3,532,040 shares authorized; 3,523,040 issued and outstanding (2006) (aggregate liquidation		. 3,000,000
value of \$8,807,600) Series C convertible preferred stock—\$1.96 par value; 19,500,000 shares		8,807,600
authorized; 17,861,899 (2006) issued and outstanding (aggregate liquidation value of \$35,009,323)  Common stock, \$0.001 par value—100,000,000 shares authorized; 17,091,556	_	35,009,323
(2007) and 2,371,002 (2006) issued and outstanding	17,091	2,371
Additional paid-in capital	108,375,879	5,262,394
Deferred compensation	(35,469)	(126,658)
Accumulated deficit	(69,780,839)	(65,536,476)
Total stockholders' equity (deficit)	38,576,662	(13,581,446)
TOTAL	\$ 56,464,626	\$ 19,981,325

# SENORX, INC. **CONDENSED STATEMENTS OF OPERATIONS** (Unaudited)

Three Months Ended June 30, Six Months Ended June 30, 2006 2007 2006 2007 \$ 12,162,023 \$ 6,324,875 \$ 15.821,361 8,121,285 Net revenues 3,490,011 3,054,140 7,027,355 6,140,289 Cost of goods sold 3,273,735 8,794,006 6,021,734 4,631,274 Gross profit Operating expenses: 8,731,491 7,099,560 4,430,998 3,947,727 Selling and marketing 1,312,682 2,442,371 Research and development 1,646,665 3,114,869 512,629 1,887,188 1,159,155 General and administrative 1,104,652 5,773,038 13,733,548 10,701,086 7,182,315 Total operating expenses (2,551,041)(2,499,303)(4,939,542)(4,679,352)Loss from operations 449,865 926,735 381,239 216,127 Interest expense Change in fair value of convertible promissory 3,840,000 (305,047)3,840,000 (990,875)notes and warrant valuation (631,039)(60,708)(560,980)(56,515)Interest income (8,839,883)(6,498,915)(4,244,363)Loss before provision for income taxes (2,134,879)Provision for income taxes 3,000 5,000 \$ (4,244,363) \$(8,844,883) \$ (6,501,915) (2,134,879)Net loss (4.06)(2.87)\$ (0.45) \$ Net loss per share - basic and diluted (0.15)\$ Weighted average shares outstanding - basic 13,900,529 2.200.205 9,388,107 2,180,145 and diluted

# **REVENUES BY PRODUCT CLASS** (Unaudited)

	Three Months Ended June 30,			,	Six Months Ended June 30,			
		2007		2006		2007		2006
Biopsy disposable products	\$	4,021,597	\$	2,635,067	\$	7,541,181	\$	4,943,678
Biopsy capital equipment products		620,401		409,434		1,101,229		725,464
Diagnostic adjunct products		3,454,190		3,283,374		7,153,854		6,492,881
Therapeutic disposables		25,097		-		25,097		<del>-</del>
Total	\$	8,121,285	\$	6,327,875	\$	15,821,361	\$	12,162,023

CONTACT: SenoRx, Inc.

Lila Churney, Director of Investor Relations

949-362-4800 x132

dase 5:08-cv-00133-RMW Document 13-2 Filed 02/15/2008 Page 15 of 16 CERTIFICATE OF SERVICE 1 U.S. District Court, Northern District of California, Hologic, Inc. et al. v. SenoRx, Inc. 2 Case No. 08-CV-0133 MEJ 3 I, Kirsten Blue, declare: 4 5 I am and was at the time of the service mentioned in this declaration, employed in the County of San Diego, California. I am over the age of 18 years and not a party to the within action. My business address is 12235 El Camino Real, Ste. 200, San Diego, CA, 92130. 6 7 On February 15, 2008, I served a copy(ies) of the following document(s): DECLARATION OF AARON P. MAURER IN SUPPORT OF DEFENDANT'S MOTION 8 FOR A CONTINUANCE OF THE HEARING ON PLAINTIFFS' MOTION FOR PRELIMINARY INJUNCTION IN ORDER TO PERMIT EXPEDITED DISCOVERY 9 on the parties to this action by placing them in a sealed envelope(s) addressed as follows: 10 Henry C. Su (suh@howrey.com) Attorneys for Plaintiffs 11 HOLOĞIC, INC. CYTYC Katharine L. Altemus (altemusk@howrey.com) CORPORATION and **HOWREY LLP** 12 1950 University Avenue, 4th Floor HOLOGIC LP East Palo Alto, CA 94303 13 Telephone: (650) 798-3500 Facsimile: (650) 798-3600 14 15 Robert Ruyak (ruyakr@howrey.com) Attorneys for Plaintiffs HOLOĞIC, INC. CYTYC Matthew Wolf (wolfm@howrey.com) 16 Marc Cohn (cohenm@howrey.com) CORPORATION and **HOLOGIC LP HOWREY LLP** 17 1229 Pennsylvania Avenue, NW Washington, DC 20004 18 Telephone: (202) 783-0800 Facsimile: (202) 383-6610 19 (BY MAIL) I placed the sealed envelope(s) for collection and mailing by following the 20 ordinary business practices of Wilson Sonsini Goodrich & Rosati, 12235 El Camino Real, Ste. 200, San Diego, CA. I am readily familiar with WSGR's practice for collecting and 21 processing of correspondence for mailing with the United States Postal Service, said practice being that, in the ordinary course of business, correspondence with postage fully 22 prepaid is deposited with the United States Postal Service the same day as it is placed for collection. 23 24 (BY OVERNIGHT DELIVERY) I placed the sealed envelope(s) or package(s), to the addressee(s) noted above, designated by the express service carrier for collection and 25 overnight delivery by following the ordinary business practices of Wilson Sonsini Goodrich & Rosati, 12235 El Camino Real, Ste. 200, San Diego, CA. I am readily 26 familiar with WSGR's practice for collecting and processing of correspondence for overnight delivery, said practice being that, in the ordinary course of business, 27 correspondence for overnight delivery is deposited with delivery fees paid or provided for at the carrier's express service offices for next-day delivery the same day as the 28 correspondence is placed for collection. 3293768 1.DOC

CERTIFICATE OF SERVICE

**CASE NO. 08-CV-0133 MEJ** 

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CASE NO. 08-CV-0133 MEJ

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CERTIFICATE OF SERVICE

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Filed 02/15/2008

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Case 5:08-cv-00133-RMW

Case 5:08-cv-00133-RMW Document 13-3 Filed 02/15/2008 Page 2 of 3 **CERTIFICATE OF SERVICE** U.S. District Court, Northern District of California, Hologic, Inc. et al. v. SenoRx, Inc. Case No. 08-CV-0133 MEJ I, Kirsten Blue, declare: I am and was at the time of the service mentioned in this declaration, employed in the County of San Diego, California. I am over the age of 18 years and not a party to the within action. My business address is 12235 El Camino Real, Ste. 200, San Diego, CA, 92130. On February 15, 2008, I served a copy(ies) of the following document(s): [PROPOSED] ORDER ON MOTION FOR CONTINUANCE OF THE HEARING ON PLAINTIFFS' PRELIMINARY INJUNCTION MOTION IN ORDER TO PERMIT EXPEDITED DISCOVERY on the parties to this action by placing them in a sealed envelope(s) addressed as follows: 10 Henry C. Su (suh@howrey.com) Attorneys for Plaintiffs Katharine L. Altemus (altemusk@howrey.com) HOLOGIC, INC. CYTYC CORPORATION and **HOWREY LLP** 12 **HOLOGIC LP** 1950 University Avenue, 4th Floor East Palo Alto, CA 94303 13 Telephone: (650) 798-3500 Facsimile: (650) 798-3600 14 15 Attorneys for Plaintiffs Robert Ruyak (ruyakr@howrey.com) HOLOĞIC, INC. CYTYC Matthew Wolf (wolfm@howrey.com) 16 CORPORATION and Marc Cohn (cohenm@howrey.com) HOLOGIC LP **HOWREY LLP** 17 1229 Pennsylvania Avenue, NW Washington, DC 20004 18 Telephone: (202) 783-0800 Facsimile: (202) 383-6610 19 (BY MAIL) I placed the sealed envelope(s) for collection and mailing by following the 20 ordinary business practices of Wilson Sonsini Goodrich & Rosati, 12235 El Camino Real, Ste. 200, San Diego, CA. I am readily familiar with WSGR's practice for collecting and 21 processing of correspondence for mailing with the United States Postal Service, said practice being that, in the ordinary course of business, correspondence with postage fully 22 prepaid is deposited with the United States Postal Service the same day as it is placed for collection. 23 (BY OVERNIGHT DELIVERY) I placed the sealed envelope(s) or package(s), to the 24 addressee(s) noted above, designated by the express service carrier for collection and 25 overnight delivery by following the ordinary business practices of Wilson Sonsini Goodrich & Rosati, 12235 El Camino Real, Ste. 200, San Diego, CA. I am readily familiar with WSGR's practice for collecting and processing of correspondence for 26 overnight delivery, said practice being that, in the ordinary course of business, correspondence for overnight delivery is deposited with delivery fees paid or provided for 27 at the carrier's express service offices for next-day delivery the same day as the

correspondence is placed for collection.

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Case 5:08-cv-00133-RMW Filed 02/15/2008 Document 13-3 Page 3 of 3 (BY CM/ECF) I caused such document(s) to be sent via electronic mail through the Case Management/Electronic Case File system with the U.S. District Court for the Northern District of California. I declare under penalty of perjury under the laws of the United States that the above is true and correct, and that this declaration was executed on February 15, 2008. Kirsten Blue 

CASE NO. 08-CV-0133 MEJ

CERTIFICATE OF SERVICE